Fuel Subsidy granted to AIR India

*227. SHRI KAMAL MORARKA:
SHRI YASHWANT SINGH

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) what is the fuel subsidy granted to Air India during 1988-89;

(b) how much of the profit of Rs. 43 crores earned by Air India during 1988-89 can be attributed to fuel subsidy given by Government; and

(c) what are the other major factors contributing to the performance of Air India and what steps Govenment propose to take to put Air India on a sound commercial footing?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION AND TOURISM (SHRI SHIV RAJ PATIL): (a) and (b). No fuel subsidy has been granted to Air India during 1988-89. The scheme of bulk discount on uplift of fuel which is applicable to all international airlines including Air-India, has contributed about Rs. 8 crores net to Air India during 1988-89.

(c) Air India have taken steps to improve their performance and profitability as under:—

1. introduction of non-stop flights to various destinations with convenient arrival/departure timings;

2. improvement in reservation and ground-handling infrastructure to provide better services;

3. upgrading the inflight services with the collaboration of reputed agencies;

4. reduction of staff as an economy measure at various foreign stations to reduce costs;

5. efforts have been made to attract high yield business/first class passengers to improve the revenue.

Production and export of poisonous chemicals

@*228. SHRI CHATURANAN MISHRA:
SHRI N. E. BALARAM:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned "Poison gas from Indian chemicals which appeared in the Times of India of 11th July, 1989;

(b) if so, whether it is a fact that certain chemicals companies in India have sold hundreds of tonnes of chemicals needed to make poison gas to Iran, Iraq and Egypt during the last two years;

(c) whether it is a fact that a shipment of 257 tonnes of these chemicals which was being sent to Iran via Dubai was turned back to Bombay recently; and

(d) if so, what are the details thereof and what is Government's reaction thereto?

THE MINISTER OF EXTERNAL AFFAIRS (SHRI P. V. NARASIMHA RAO): (a) Yes, Sir.

(b) Some Indian firms have exported modest quantities of dual purpose chemicals, used as lubricating oil additives, anti-rust material flame retardants and for manufacturing pesticides and insecticides. These can also be used for the manufacture of chemical weapons. The export of these chemicals, which are widely traded internationally, is not banned under any international agreement. According to the information received by us, the firms had exported these chemicals for permitted industrial activities and had obtained end-use certificate to that effect.

(c) and (d) An India firm had entered into a contract with a UAE company

@Previously Starred Question 95 transferred from 24th July, 1989.